

Central Intelligence Agency

Washington, D.C. 20505

24 February 1983

MEMORANDUM FOR: The Honorable George P. Shultz
Secretary of State

SUBJECT: Report on Conference on Nuclear
Proliferation in the NESA
Region

25X1

As part of the program to explore living in a proliferated world which I launched at your suggestion, Bob Ames' office brought together a group on January 12 to explore the consequences of nuclear proliferation on US global interests. You may wish to read the key findings of the report. Conference participants include seven distinguished experts from the academic and think tank communities. It was attended by representatives of the State Department, National Security Council Staff, Department of Defense, and Department of Energy, as well as from the CIA.

25X1

William J. Casey
Director of Central Intelligence

Attachment



25X1

CONFIDENTIAL

Impact of Nuclear Weapons Proliferation on the NESR Region
(Conference Report)

Key Findings

The proliferation of nuclear weapons capability in the Middle East and South Asia by the 1990s would have the following general effects on US interests:

- Lead to open-ended conventional and nuclear arms races among regional rivals.
- Raise the level of political instability and political and military tensions in the region and impede the settlement of regional disputes.
- Increase the risk of regional conflict arising from inadequate command and control of weapons systems.
- Erode US influence in the region.
- Lead to decreased operational flexibility and higher risk to US forces and bases in the region.
- Force the United States to step up its intelligence collection and analysis of national command and control systems for nuclear weapons.
- Increase the risk of catastrophic damage to key oil facilities and other strategic targets.
- Increase the risk of nuclear blackmail against the United States by threats to these targets from new nuclear powers or even terrorist groups.
- Provide new opportunities for Soviet intervention to forestall nuclear threats to the Soviet Union or its client states and expanded Soviet influence via security guarantees and increased military and economic assistance.
- Present opportunities for US - Soviet cooperation to counter proliferation, including intelligence exchange.

CONFIDENTIAL

25X1

CONFIDENTIAL

The Premise

India and Pakistan will have acquired and deployed nuclear weapons by the late 1980s; Israel will have conducted a nuclear test and been accepted as a weapons state; and, among the other states of the region, at least Iraq and Egypt will be moving towards establishing significant domestic nuclear programs and growing potential to develop weapons.

The Questions

We posed the following questions to conference participants:

- How will proliferation affect South Asia?
- How will proliferation in the subcontinent affect the Middle East?
- How will the major external powers, particularly the Soviet Union and China, respond to proliferation and related developments in both regions?
- What impact will these factors have on wider US security interests in the region, and what are the implications for US policy?

Some Basic Conclusions

Our participants generally agreed that:

- The actual use of nuclear weapons will depend on the leadership quality, capacity for rational decisionmaking, and political stability of the new nuclear powers.
- Weak internal command and control systems may allow insurgents or terrorists to gain access to nuclear weapons and could make possession of nuclear weapons a factor in internal political upheavals. As a result, the United States would be forced to step up its intelligence collection and analysis of national command and control systems for nuclear weapons.
- The spread of nuclear weapons would make the achievement of a stable military balance and the creation of a climate of mutual confidence to settle outstanding disputes all the more difficult to achieve.
- The Soviet Union could take advantage of the turmoil and insecurity generated by the spread of nuclear weapons to increase its influence by providing security guarantees and increased military and economic assistance. Area countries may be able to use the nuclear proliferation question to pressure both the United States and the Soviet Union into increased aid.

CONFIDENTIAL

- Because area countries define security in terms of superiority over rivals and not in terms of parity or balance, they are likely to engage in open-ended nuclear arms races. These countries also tend to think of nuclear weapons in terms of political and technical prestige and not in terms of their actual strategic uses.
- US forces would have to cope with decreased operational flexibility because of threats posed by local nuclear forces. As area states acquired progressively more sophisticated delivery systems, their capacity to mount a nuclear threat to US forces would increase.

Proliferation in South Asia

Near Term Effects

Some of the participants argued that nuclear weapons would contribute to Pakistan's sense of security and thus decrease the likelihood of conflict. They believed that India would tolerate a limited Pakistani nuclear force and would be interested in rapprochement in order to counter the Soviet threat from Afghanistan. Others maintained that India would not disavow its claims of regional pre-eminence and that Pakistan would never accept Indian dominance in the subcontinent, even if the Soviet threat from Afghanistan were to continue indefinitely. Nuclear weapons would then tempt each side to continue pursuing destabilizing competitive policies.

The participants agreed that the Indian-Soviet relationship would survive an Indian decision to go nuclear, particularly if the United States reacted strongly, and that the acquisition of nuclear weapons by India and Pakistan would have profound, short term effects in South Asia, including:

- promotion of domestic instability by diverting resources away from national development and opening the prospect that internal insurgents might attempt to gain access to nuclear weapons.
- erosion of US influence by promoting renewed, strengthened Indian claims to regional pre-eminence, and by demonstration of the limits of US influence.

CONFIDENTIAL

Long Terms Effects

Over the longer term the participants believed that:

- Proliferation could involve China and possibly the Soviet Union as they may attempt to deter possible nuclear threats from the subcontinent, or to protect their respective Pakistani or Indian allies.
- Indian and Pakistani deployment of nuclear forces would pose potential threats to US military forces and operations in the region:
 - intimidation of host countries, complicating US access to the region;
 - direct threats to US bases, facilities, or pre-positioned assets;
 - unintended threats (e.g., US forces caught in nuclear cross-fire between India and Pakistan);
 - catalytic threats (e.g., third party nuclear detonations that might threaten superpower loss of control in a local confrontation);
 - overall psychological effect on US decisionmakers, enhancing perceived risks of power projection in the region, with adverse effects on perceived reliability of security commitments to allies or friends in the region.

The Middle East

Transfer of Nuclear Weapons

It is doubtful that Pakistan would transfer nuclear weapons or fissile material to Middle Eastern countries. Pakistan would be reluctant to become a target of Israel and/or be drawn into Middle East political disputes. However, oil guarantees or hopes of political influence might induce Pakistan and India to compete as suppliers of nuclear technical assistance and training to Middle East countries. Moreover, the participants felt that Middle East countries would be unwilling to risk becoming hostage to an outside power by allowing Pakistan to station its own nuclear forces in the area.

National Nuclear Forces

Conference participants offered the following propositions:

- Proliferation in the Middle East is unlikely for technical reasons to be feasible before the 1990s.

CONFIDENTIAL

- The Middle East strategic situation has already considered and discounted Israeli nuclear weapons. Inter-Arab prestige and competition more than the Israeli factor is likely to drive proliferation. Later in the decade, Egypt could be motivated by these factors to seek nuclear arms.

--

25X1

Existing arms races with Arab states would intensify as Arab states attempt to counteract Israel's advantage and to prepare for their own nuclear deterrent. A combination of Arab conventional deterrent forces and superpower pressures might eventually foreclose Israel's ability to launch pre-emptive strikes against Arab nuclear facilities. The probable destruction of nuclear supplier solidarity and willingness to enforce controls following successful proliferation in South Asia could aid Arab states in this objective.

- A big nuclear arsenal is unnecessary to pose a threat to national survival because of the small physical size of states and short intervening distances.
- Israel is unlikely to declare a nuclear weapons posture in the near future, and might defer doing so as long as basic conditions in the Middle East remain unchanged.
- No Arab state would allow another to be custodian of an "Islamic bomb."
- Proliferation would not contribute to settlement of outstanding issues anywhere in the region.
- Middle East proliferation would complicate force projection for both superpowers.
- Superpower deterrence logic is not as likely to work on Middle East nuclear powers because the conflicts are more visceral and emotional than in the US-Soviet relationship.
- Nuclear weapons in the Middle East would pose the most serious threat in the NESR region to US interests, that of catastrophic damage to petroleum facilities and resources and to the deployment of strategic forces. Nuclear states might be tempted to blackmail the United States or Western Europe by threatening oil facilities, particularly in the Persian Gulf. US forces would have to operate on the assumption that they and any base areas or prepositioned supplies were vulnerable to nuclear attack.

CONFIDENTIAL

- US intelligence collection and analysis requirements, including real-time detection of the existence of nuclear weapons, their locations, movements, and use, would become critical.
- Opportunities for US-Soviet cooperation to restrain proliferation and to deter the use of nuclear weapons would arise.
- The presence of nuclear weapons would hasten the intervention of the United States and the Soviet Union in area crises. Both powers would wish to prevent the escalation of any crisis into a nuclear exchange. However, the dangers of nuclear catalytic warfare could also restrict US capacity to restrain Soviet intervention in the Persian Gulf or in Iran.

The Soviet Response

Although no one believed that the Soviets would welcome proliferation in neighboring regions, some believed that they would be fairly relaxed, especially about proliferation in "friendly" states. They argued that the Soviet military buildup along the Chinese border and in maritime areas is so substantial that proliferation could easily be discounted as a strategic threat, especially in Soviet force planning.

Others who agreed that regional proliferation would not pose a major homeland threat to the USSR put more emphasis on Soviet perception of adverse proliferation effects of other kinds including:

- The increased unpredictability of nuclear-armed clients such as Libya or Iraq.
- Greater uncertainty about the source and meaning of military acts along the Soviet border (e.g., preventive strikes on a proliferant neighboring the USSR, or leadership factional strife involving nuclear weapons in a neighbor that consequently is threatened).
- The possibility of loss of control in situations where Soviet and US clients were going nuclear, demanding nuclear security guarantees, or insisting on drastic action against a neighboring nuclear threat.

The participants pointed out that, apart from the Chinese case in the 1950s, no empirical evidence of Soviet instigation of, implication in, or "turning a blind eye" toward proliferation was offered. Instances were cited, however, of Soviet nuclear supplies designed to court influence or undermine Western influence in the region such as nuclear cooperation with Libya and Iraq and heavy water sales to India.

CONFIDENTIAL

Participants also suggested that Soviet nonproliferation efforts are less vocal than those of the US precisely because the US plays a more activist role and takes care of much of the problem. In this view, the Soviets would be more vocal or active if the US and West actually opted out of their nonproliferation goals.

Soviet Willingness to Enforce Nonproliferation

None of the participants maintained that the Soviets were willing to use military force to prevent proliferation. Soviet statements attributing proliferation in Israel and Pakistan to the US were recalled, however, and the view was expressed that the Soviets probably would regard preventive action in Pakistan as acceptable, though they would not say so officially.

All participants agreed that the Soviet Union would gain more from proliferation than the US, but some thought the gains would be marginal and indirect (e.g., increased Indian dependence on the USSR) and that Soviet vital stakes (e.g., the nature of Sino-Soviet relations) are unlikely to be affected by proliferation. If proliferation undermines the US-Pakistan relationship, the USSR would be more likely to act against Pakistan to seal the Afghan border.

Others took the view that the Soviets have an interest in promoting instability wherever Western influence persists and that proliferation-induced instability therefore has a much more adverse effect on US than Soviet interests in the region.

The Pace and Determinants of Proliferation

There was some controversy over whether political or technical factors are more important in accounting for or controlling proliferation. Some panelists stated that the slow pace of proliferation is related directly to international efforts to prevent the flow to or use of sensitive technologies by proliferant countries. They pointed out that not only was this apparent in the cases of Iraq and Pakistan in particular but that it accounts for the probability that other Middle East proliferation has been deferred at least into the 1990s. Others said the apparently slower than expected pace of proliferation is more a result of nonproliferation policies and a tribute to their value than technical constraints. It was suggested that the Pakistan and Indian cases reflected as much the results of earlier political neglect and that current policies are more hopeful precisely because they emphasize political remedies.

CONFIDENTIAL

Mitigating Factors

All long range predictions are of course subject to unpredictable mitigating factors. It is possible that some or all of the following developments could moderate the effect of the rate at which nuclear weapons spread in the Middle East and South Asia:

- A nuclear exchange between two regional rivals, most likely India and Pakistan, could catalyze sudden and more effective East-West collaboration in discouraging new proliferants.
- The emergence of some stable modus vivendi between Israel and its Arab neighbors could reduce some of the incentive to acquire nuclear weapons, although inter-Arab competition will still drive acquisition of at least the potential capability to develop nuclear weapons.
- The emergence of stable deterrence between India and Pakistan short of the deployment of formally declared and recognized nuclear forces might forestall some of the demonstration effects of South Asian proliferation on the rest of the region. Tacit recognition between regional adversaries of undeclared "bombs in the basement" might be more likely to lead to stable deterrence than openly declared nuclear forces. Tacit capabilities may be less likely to engage the emotional and prestige aspects of nuclear rivalry.

Conclusions

We believe that uncontrolled nuclear proliferation along the lines projected in our scenario will force the United States to live in a substantially "nastier" and more unpredictable international environment in which even regional powers can inflict crippling damage on US area forces and on their neighbors. Countries that have recently acquired nuclear weapons are, in our view, likely to focus on the prestige aspects of their new capabilities and to avoid careful, rational evaluation of the implications of the use of nuclear weapons, their in-country control, and the threat presented as adversaries acquire matching capabilities. This coupling of massive destructive power with poor control and a poor conception of objectives is likely to be the most dangerous threat of all to US interests.



25X1